

The Governor's Proposed
2012-13 New York State Budget:
Continued Scarce Funding for
Women, Families and Youth in a
Weak Recovery



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With a weak recovery, unemployment remains high and hardships have mounted for many New York City women, families and youth. Food stamp rolls rose by nearly two-thirds since the recession began and poverty has risen at its fastest pace in years, especially among working women heads of households.

Despite growing needs, three years of state budget cuts have frayed the safety net, making it harder for low-income women to access income and job supports as well as vital supportive services, and to secure jobs with a future. State budget and economic policies are particularly critical to women because 67 percent of poor New York City families with children are headed by women; women are more likely to be responsible for providing care for the elderly, to be low-wage workers, and to have jobs providing services funded by government. Many women work in education, health and social services—the “helping” professions—all areas where government funding is critical and budget cuts have taken a heavy toll in recent years. In addition, cuts in youth services were continued in the proposed budget, deepening the disproportionate impact on homeless and LGBTQ youth.

Moreover, the new 2012-14 state income tax surcharge enacted in December 2011 generates \$3 billion less in revenue than did the 2009-11 surcharge. Consequently, the state will find it difficult to restore any of the \$21 billion in cuts sustained in the last three years' budgets.

The governor's proposed fiscal year 2012-13 budget makes further cuts in many human service areas and fails to make up lost ground in areas hit hard by cuts in recent years. Below is a brief analysis of the governor's proposed 2012-13 budget and its impact on women, families and youth.

Proposed 2012-13 NYS budget cuts include:

- Reducing from 10 percent to 5 percent the 3rd year of *public assistance grant* increase. The purchasing power of the grant is only 70 percent of its 1990 level.
- Despite a recession-related increase in domestic violence, \$510,000 in funding for *non-residential domestic violence services* is zeroed out in the proposed state budget.
- Following a cut in funding for the *homeless rental assistance program* from \$35 million to \$15 million in the current budget, funding is eliminated in the proposed budget pending the launch of a new eviction prevention initiative.
- Modest *cost-of-living adjustments* have been discontinued for workers in non-profits that contract with the state to provide human services, public health, mental health and developmental disability services. Three-quarters of affected workers are women.

State budget areas where prior funding has not been restored:

- There was a 50 percent reduction in funding for a loss of \$30 million in the 2011-12 fiscal year for the Runaway and Homeless Youth Act (RHYA), Youth Development and Delinquency Prevention Program (YDDP), Special Delinquency Prevention Program (SDPP), Community Optional Preventive Services (COPS) and Kinship Care programs. Failure to restore these funds will likely jeopardize success in the state's planned transition to community-based services for at-risk youth and juvenile offenders, with a disproportionate impact on LGBTQ youth.
- Funding for homelessness services available through the Temporary Assistance for Needy Families (TANF) program, which had been \$12 million in 2009, was eliminated last year. Without these funds low-income families face undue burden in finding affordable housing and are forced to rely on the shelter system.
- Elderly Pharmaceutical Insurance Coverage (EPIC) funding was cut by \$36 million last year, forcing seniors to pay higher out of pocket prescription costs. 80,000 New York City seniors have been affected.
- \$5 million in TANF funding in 2009-10 for the Nurse-Family-Partnership (NFP) home visiting program was reduced to \$2 million in 2010, then altogether eliminated last year. Research shows that the Nurse-Family-Partnership program has been successful in reducing child abuse resulting in significant cost savings to state and local governments.
- Funding for transitional jobs programs and Career Pathways that help low-income women get a foothold and advance in the job market have been cut by \$35 million, since 2009, thereby effectively eliminating a viable path to sustainable employment for low-income women.
- While the Governor proposes to restore a \$93 million reduction in federal child care funds in the coming year, combined state and federal child care spending for low income families will still be 10 percent (\$96 million) lower than two years ago.

Conclusion

New York City's low-income women and their families have been affected by state budget cuts in many ways, from decreased resources for low-income women seeking to get a foothold in the job market, to reduced funding for a wide range of essential support services, including access to child care. Service cuts have affected programs serving mothers of young children, youth, seniors, homeless persons, the LGBTQ community, and other populations facing special needs.

The unprecedented nature of the recession and the weak recovery has heightened hardships felt by many New York City low-income women, their families, and youth. While the weak economy has reduced governmental revenues, state policy makers should prioritize essential funding needed to stabilize vulnerable families and populations, protect individual well-being, and foster greater economic opportunities.



The New York Women's Foundation ® (NYWF, www.nywf.org) was established in 1987 as a public philanthropy to be a voice for women and a force for change. We are a cross-cultural alliance of women catalyzing partnerships and leveraging human and financial capital to achieve sustained economic security and justice for women and girls. With fierce determination, we mobilize hearts, minds and resources to create an equitable and just future for women, families and communities in New York City.



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